

# Construction Tax and Property Conveyance Fund 385

## Tax Fund: Parks Purposes Council District #7

### CONSTRUCTION TAX AND PROPERTY CONVEYANCE TAX FUND OVERVIEW:

San José Municipal Code section 4.80.300 establishes a single fund, the “Construction Tax and Property Conveyance Tax Fund”, for the deposit and accounting of the Construction Tax and the Property Conveyance Tax (“C&C revenues”). The various “funds” to which C&C revenues are allocated are accounted for within the Construction Tax and Property Conveyance Tax Fund.

### PURPOSE OF THE FUND:

For additional information on the collection and allocation of C&C revenues, please refer to the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund.

C&C revenues allocated to this fund from the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund are limited to the purposes as provided in the San José Municipal Code sections 4.55.300A and 4.55.300B.3. Generally, these purposes include the acquisition, construction, reconstruction, replacement, remodeling, modification, alteration, enlargement, renovation, furnishing or refurnishing and capital maintenance of City public parks, recreation areas and facilities located within the boundaries of Council District 7 and park or recreational facilities constructed or installed within or upon any public school grounds or other public properties located within the boundaries of Council District 7 where the City is given a right to use the same for public playground or recreation purposes.

Per section 4.55.420F, the City Council may appropriate up to 5% of the amount appropriated to this fund for the purpose of park maintenance costs of the parks improvements located in the Council District.

### AUTHORITY FOR THE FUND:

San José Municipal Code chapter 4.55 and San José Municipal Code sections 4.80.300 through 4.80.320. Revenue and expenditure estimates are budgeted via Council funding sources resolution and appropriation ordinance, respectively.

### SOURCE OF FUNDS:

- Transfers from the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Central Fund for the District 7 portion of C&C Tax revenues
- Grants (by City Council practice, grants for park purposes may be budgeted in this fund)
- Interest earnings (see Fund Restrictions)

<b>Construction Tax and Property Conveyance Tax Fund: Parks Purposes Council District #7</b>	<b>Fund 385</b>
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**FUND RESTRICTIONS:**

The fund is to be expended as outlined above. However in appropriate cases, funds may be appropriated for the purpose of funding neighborhood or community serving park or recreational improvements located outside the boundaries of the Council District that will provide benefit to the Council District's residents. Per section 4.55.310 of the San José Municipal Code, the City Council may transfer interest earnings in this fund into any special fund or the General Fund. Grant funds deposited in this fund are subject to the restrictions of the particular grant.

The sources of funding for this fund include special taxes. Increases to the tax rate or significant changes to the use of these taxes are subject to voter approval.

**LEAD RESPONSIBILITY:**

Parks, Recreation and Neighborhood Services Department

**FINANCIAL INFORMATION AND LOCATION:****Comprehensive Annual Financial Report (CAFR) Designation:**

Governmental Fund-Special Revenue

**Budget Location:**

Adopted Capital Budget and Capital Improvement Program (Parks and Community Facilities Development Capital Program)

**Funding Sources Resolution and Appropriation Ordinance Location:**

Section 12.07